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Attorneys for Trustee and Claims
Administrator

UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

In re:

PG&E CORPORATION,

-and-

PACIFIC GAS AND ELECTRIC COMPANY,

Debtors.

Bankruptcy Case No. 19-30088 (DM)

Chapter 11

(Lead Case)

(Jointly Administered)

- ☐ Affects PG&E Corporation
☐ Affects Pacific Gas and Electric Company
☒ Affects both Debtors

Date: TBD
Time: TBD
Place: United States Bankruptcy Court
Courtroom 17, 16th Floor
San Francisco, CA 98102

**All papers shall be filed in the Lead Case, No.
19-30088 (DM).*

Objection Deadline: N/A

SECOND SUMMARY REPORT
OF FEES AND EXPENSES OF FIRE VICTIM TRUSTEE, CLAIMS
ADMINISTRATOR & PROFESSIONALS RETAINED BY FIRE VICTIM
TRUST PURSUANT TO APPOINTMENT ORDERS [DOCKET NOS. 6759 & 6760]

1 Pursuant to the *Order Granting Application of the Official Committee of Tort Claimants*
2 *pursuant to 11 U.S.C. §§ 1103 and 363 and Fed. R. Bankr. P. 2014 and 5002 to Retain and Employ*
3 *Hod. John J. Totter (Ret.) as Trustee Nunc Pro Tunc to January 13, 2020* [Docket No. 6760] and
4 *Order Granting Application of the Official Committee of Tort Claimants pursuant to 11 U.S.C.*
5 *§§ 1103 and 363 and Fed. R. Bankr. P. 2014 and 5002 to Retain and Employ Cathy Yanni as*
6 *Claims Administrator Nunc Pro Tunc to January 13, 2020* [Docket No. 6759] (together the
7 “**Appointment Orders**”), the Hon. John K. Trotter (Ret.), as Trustee of the Fire Victim Trust (the
8 “**Trustee**”), in the above-captioned Chapter 11 cases of PG&E Corporation, et al. (the “**Debtors**”
9 and the “**Chapter 11 Case**”), submits this Second Summary Report of Fire Victim Trustee’s,
10 Claims Administrator’s, and Professionals’ Fees and Expenses for the period of April 1, 2020
11 through and including April 30, 2020 (the “**Second Summary Report**” and “**Reporting Period**”).

12 SUMMARY OF REPORT

13 The Appointment Orders require the Trustee to provide a monthly submission: (i) detailing
14 the amounts of fees and expenses incurred by the Claims Administrator, the Trustee and the Trust
15 Professionals (as defined in the Appointment Orders) in the preceding month; and (ii) his
16 determination that the amounts paid to each professional is reasonable and necessary based on the
17 services provided. *See* Appointment Orders, ¶ 8. During the Reporting Period, the Trustee and
18 Claims Administrator obtained services from the following Trust Professionals: (i) administrative
19 staff assisting the Claims Administrator; (ii) Fire Victim Claim Budgeting Staff; (iii) an accountant;
20 (iv) BrownGreer PLC; (v) Brown Rudnick LLP; (vi) Houlihan Lokey; and (vii) Blank Rome LLP.¹
21 During this second Reporting Period, which covers the period from April 1, 2020 through April 30,
22 2020, the Trustee and Claims Administrator and their professional teams incurred total fees of
23 \$3,745,648.05 and expenses of \$38,006.27. The Trustee has considered and reviewed the services
24 rendered by the Claims Administrator and each of the invoices for the Trust Professionals. Based
25 on his review of such invoices, the Trustee has determined that all of the fees and expenses

26
27 ¹ Trustee and Claims Administrator may retain additional professionals prior to the Effective Date of the Plan, as
28 authorized by the Appointment Orders.

1 included in this Second Summary Report for the Reporting Period were actual, necessary and
2 reasonable compensation or reimbursement for services rendered during the Reporting Period.

3 **AGGREGATE SUMMARY REPORT**

4 ***General Information***

5 Reporting Party	Justice John K. Trotter, Trustee
6 Date of Order Approving Payment of Fees and 7 Expenses of Reporting Party	April 14, 2020

8 ***Summary of Fees and Expenses Included in this Report***

9 Time Period Covered by this Report	April 1, 2020 through April 30, 2020
10 Total Aggregate Fees That were Actual, 11 Reasonable, and Necessary for the Reporting 12 Period	\$ 3,745,648.05
13 Total Aggregate Expense Reimbursement That 14 were Actual, Reasonable, and Necessary for the Reporting Period	\$ 38,006.27

15 ***Summary of Fees and Expenses by Professional***

16 Trustee	\$ 142,500.00
17 Claims Administrator	\$ 244,299.80
18 Claims Administrator's Staff	\$ 69,125.00
19 Fire Victim Claim Budget Staff	\$ 26,510.00
20 BrownGreer PLC	\$ 1,914,016.19
21 Brown Rudnick LLP	\$ 914,074.58
22 Houlihan Lokey	\$ 450,000.00
23 Accounting Staff Fees & Expenses	\$ 23,128.75
24 Total Fees & Expenses	\$ 3,783,654.32

25 ***Summaries of Total Amounts Paid For The Reporting Period***

26 Trustee	\$ 0
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1	Claims Administrator	\$ 0
2	Claims Administrator's Staff	\$ 0
3	Fire Victims Claim Budget Staff	\$ 26,510.00
4	BrownGreer PLC	\$ 0
5	Brown Rudnick LLP	\$ 0
6	Houlihan Lokey	\$ 100,000.00
7	Blank Rome, LLP	\$ 0
8	Accounting Staff Fees & Expenses	\$ 0
9	Total Fees & Expenses Actual Paid	\$ 126,510.00

INDIVIDUALIZED REPORT

I. TRUSTEE'S FEES & EXPENSES

During the Reporting Period, the Trustee expended considerable time on all matters of coordinating the formulation and establishment of the Trust with the purpose of maximizing benefit to Fire Victims. The Trustee participated in numerous conferences and negotiations between various interested parties on a variety of issues relating to the to-be formulated trust. The Trustee reviewed and provided input on various iterations of the formative documents of the trust including but not limited, to the Claims Resolution Procedures, the Trust Agreement, and claims questionnaires. The Trustee worked with his counsel and communicated with the TCC and other stakeholders to understand the negotiations and mediations that have taken place and continue to take place in respect of the multitude of documents, agreements and settlements that will affect the Trust's corpus and administration. The Trustee continued to interview and select professionals to assist him in carrying out the Trust. The Trustee directed professionals to establish various operational and accounting structures for operations. Additionally, the Trustee met often with counsel and other Trust Professionals to develop positions and direct Trust Professionals on the formulation of the Trust Documents and the processes being developed for the administration of Fire Victim Claims and the Trust generally.

Summary of Hours and Fees			
Title & Name Of Professional	Rate	Hours	Amount
Hon. John K. Trotter (ret.)	\$ 1,500	95.0	\$ 142,500.00

Summary of Expenses	
Expense	Amount
None	\$ 0.00

II. CLAIMS ADMINISTRATOR'S FEES & EXPENSES

During the Reporting Period, the Claims Administrator was intimately involved in all matters of formulating and establishing the Trust Documents, particularly as they relate to and affect aspects of the claims resolution process, including beginning to develop, with the assistance of interested parties, the detailed and complex claims questionnaires. The Claims Administrator assisted the Trustee in participating in conferences and negotiations with the TCC and other parties in interest concerning the Trust Documents and various aspects of the claims resolution process and Claims Resolution Procedures.

The Claims Administrator devoted considerable time coordinating with BrownGreer PLC, professionals associated with the TCC, other Trust Professionals, and other parties-in-interest in processing and organizing the vast and varied sum of data and documents related to the Fire Victim Claims. The Claims Administrator expended substantial time with BrownGreer PLC, her budgeting staff and other Trust Professionals to begin developing the complex claims intake forms and processes that will be used to organize the approximately 80,000 claims that must be administrated under the Claims Resolution Procedures. Additionally, the Claims Administrator continued to work closely with BrownGreer PLC and her budgeting staff in order to begin to develop the economic and valuation modeling of claims categories claims resolution process and distribution process. Finally, the Claims Administrator worked with the Trustee and other professionals to begin organizing preparing the website, claims portal and its functionalities.

Summary of Hours and Fees			
Title & Name Of Professional	Rate	Hours	Amount
Cathy Yanni	\$1,250	173.00	\$ 216,249.80

Summary of Expenses	
Expense	Amount
JAMS-Case Mgmt Fee – April	\$ 28,050.00
Total Expenses	\$ 28,050.00

III. CLAIMS ADMINISTRATORS' STAFF MEMBERS' FEES & EXPENSES

Mr. David Agretelis continued to provide instrumental administrative, coordinative, and substantive support to the Claims Administrator and the Trustee on all issues facing the putative Trust during the Reporting Period. Mr. Agretelis worked hand-in-hand with the budgeting staff and other Trust Professionals to continue the process of receiving, reviewing and organizing the data necessary to administer the Claims Resolution Procedure. Mr. Agretelis participated, alongside the Claims Administrator and BrownGreer, in many meetings, conferences, and planning sessions in respect program budgeting, developing the claims review protocols, and designing the claims questionnaires. Mr. Agretelis also continued to act as the liaison between the Claims Administrator and BrownGreer and other Trust Professionals in respect of all data collection, claims processing, budgeting and/or modeling tasks. Mr. Agretelis assisted the Claims Administrator and the other professionals to begin organizing preparing the website, claims portal and its functionalities. Mr. Boserup began to assist the Claims Administrator in organizing and formulating the proposed appeals officer role in the claims resolution procedures.

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Summary of Hours and Fees by Professional			
Title & Name Of Professional	Rate	Hours	Amount
David Agretelis	\$ 350	147.5	\$ 51,625.00
Viggo Boserup	\$1,250	14.0	\$ 17,500.00
Total Fees	\$ 69,125.00		

Summary of Expenses	
Expense	Amount
None	\$ 0.00

IV. FIRE VICTIM CLAIM BUDGETING STAFF'S FEES & EXPENSES

During the Reporting Period, Eric Kennedy and his team continued their work with the Claims Administrator, BrownGreer and other Trust Professionals to begin structuring and developing the modeling for economic and valuation budgeting of the claims resolution process, including but not limited to the modeling of the following types of claims: real property, personal property, personal income loss, business loss, wrongful death and serious personal injury, emotional distress, and other damages.

Summary of Hours and Fees by Professional			
Title & Name Of Professional	Rate	Hours	Amount
Eric Kennedy	\$ 1,100	24.10	\$ 26,510.00
Total Fee			\$ 26,510.00

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Summary of Expenses	
Expense	Amount
None	\$ 0.00
Total Expenses	\$ 0.00

V. **BROWNGREER PLC'S FEES & EXPENSES**

During the Reporting Period, BrownGreer continued the development of the program's database, which will be used as the centralized repository for all functions related to the processing of claims submitted by the Fire Victims. BrownGreer has committed software programmers and developers to build out the fundamentals of the database, design and build the functions and capabilities necessary to execute the program and to begin incorporating the data and information already available to BrownGreer. Additionally, BrownGreer has worked to integrate certain third party data sources including massive amounts of insurance data into the program database and insurance claims database described herein. BrownGreer began the design and programming of the Trust's website, claims portal, and insurance claims files portal.

During the Reporting Period, BrownGreer worked closely with the Claims Administrator and her budgeting and administrative staff to continue the design and development of the various claims questionnaires and other form documents tailored to the different damage categories covered by the Claims Resolution Procedures, including real property, personal property, personal income loss, business loss, wrongful death and serious personal injury, emotional distress, and other damages. Similarly, BrownGreer is continuing to work on identifying the types of evidence and supporting documents that will be requested and required for the establishment of the eligibility of each claim. In addition, and in conjunction with the Claims Administrator and her budgeting and administrative staff, BrownGreer has worked on developing and defining the elements and requirements for eligibility. BrownGreer has also worked intimately with the Claims Administrator's budgeting staff to begin modeling and planning the budget.

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Summary of Hours and Fees by Professional			
Title & Name Of Professional	Rate	Hours	Amount
BrownGreer PLC - March	Varied	3,881.50	\$ 787,102.50
BrownGreer PLC - April	Varied	5,657.70	\$ 1,121,460.00
Total Fees			\$ 1,908,562.50

Summary of Expenses	
Expense	Amount
March Expenses	\$ 4,366.76
April Expenses	\$ 1,086.93
Total Expenses	\$ 5,453.69

VI. BROWN RUDNICK'S FEES & EXPENSES

During the Reporting Period, Brown Rudnick reviewed and provided advice to the Trustee and Claims Administrator on the multiple iterations of the Fire Victim Trust documents. Brown Rudnick synthesized multiple parties' comments to the documents and analyzed and provided legal advice on the provisions contained therein. Brown Rudnick prepared the Trust documents for filing in advance of the Plan Supplement deadline and worked closely with the TCC to advance the documents towards filing. Brown Rudnick advised the Trustee in connection with the negotiation and finalization of certain settlement agreements between the Debtors and federal and state agencies, which agreements directly impact the Trust. Brown Rudnick attended and monitored hearings in both the bankruptcy court and district court for the benefit of the Trustee and Claims Administrator.

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1 Additionally, during the Reporting Period, Brown Rudnick advised and assisted the Trustee
2 and Claims Administrator in organizing the various financial, tax, accounting, and reporting roles
3 and mechanisms necessary to ensure that the Trust will be functional on the Effective Date. Brown
4 Rudnick continued to organize and participate in financial institution due diligence.

5 Brown Rudnick also provided advice to the Trustee and Claims Administrator on the
6 various and complex tax issues that face the Trust and Fire Victims. Brown Rudnick began
7 analyzing the tax consequences of distribution to Fire Victims on account of the different types of
8 claims that are able to be asserted in the Fire Victim Trust. Brown Rudnick also provided advice to
9 the Trustee and Claims Administrator on the tax consequences and issues attendant to the various
10 forms of consideration that is proposed to be provided to the Trust upon the Effective Date of the
11 Plan. In particular, Brown Rudnick engaged with its counterparts with the TCC and Debtors in
12 order to provide tax advice to the Trust on assets to be transferred to the Trust, including benefits
13 realized from the Debtors' net operating losses, including the drafting of a tax benefits agreement.

14 Through the Reporting Period, Brown Rudnick continued to advise the Trustee and Claims
15 Administrator on various matters involving regulatory requirements as a stockholder of a reporting
16 company in order to ensure the Trust's compliance therewith on and following the effective date.
17 Additionally, in close conjunction with Houlihan Lokey, Brown Rudnick continued to provide
18 advice to the Trustee and Claims Administrator on the Trust's ability to dispose of stock of the
19 reorganized company in compliance with securities regulations following the effective date. In
20 particular, Brown Rudnick, with Houlihan Lokey, engaged actively in the negotiation of the
21 registration rights to be made applicable to the Trust after the effective date with counsel and
22 advisors of the Debtors and the Plan's proponents. Furthermore, Brown Rudnick also reviewed
23 and assisted with revisions to the corporate governance documents of the reorganized company and
24 the utility in connection with terms applicable to the Trust's rights as a stockholder.

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Summary of Hours and Fees by Professional				
Name Of Professional	Position/Year Admitted to Practice/Department	Rate	Hours	Amount
David J. Molton	Partner 1983 Bankruptcy & Corporate Restructuring	\$ 1,405	108.6	\$152,583.00
Steven Pohl	Partner 1989 Bankruptcy & Corporate Restructuring	\$ 1,295	96.7	\$125,226.50
Phillip J. Flink	Partner 1981 Corporate & Capital Markets	\$ 1,175	54.0	\$63,450.00
Barbara J. Kelly	Counsel 1982 Corporate & Capital Markets	\$ 1,060	144.3	\$152,958.00
Oksana P. Lashko	Partner 2008 Bankruptcy & Corporate Restructuring	\$ 1,000	76.1	\$76,100.00
Cathrine M. Castaldi	Partner 1991 Bankruptcy & Corporate Restructuring	\$ 1,000	4.4	\$4,400.00
Vincent J. Guglielmotti	Partner 2005 Corporate & Capital Markets	\$ 985	15.9	\$15,661.50
Nicole M. Bouchard	Partner 2005 Corporate & Capital Markets	\$ 865	29.6	\$25,604.00
Gerard T. Cicero	Associate 2015 Bankruptcy & Corporate Restructuring	\$ 800	106.0	\$84,800.00
Graciela K. Aguero	Associate 2016 Corporate & Capital Markets	\$ 630	36.1	\$22,743.00
Samuel A. Moniz	Associate 2016 Commercial Litigation	\$ 630	7.2	\$4,536.00

Cyavash N. Ahmadi	Associate 2014 Corporate & Capital Markets	\$ 585	39.9	\$23,341.50
Susan Sieger-Grimm	Associate 1994 Bankruptcy & Corporate Restructuring	\$ 545	245.6	\$133,852.00
Uriel Pinelo	Associate 2017 Bankruptcy & Corporate Restructuring	\$ 545	2.6	\$1,417.00
Alvin B. Carter III	Associate 2019 Corporate	\$ 510	6.8	\$3,468.00
Samuel V. Toomey	Associate 2019 Corporate & Capital Markets	\$ 485	20.6	\$9,991.00
Nina Khalatova	Paralegal Bankruptcy & Corporate Restructuring	\$ 395	23.9	\$9,440.50
Total Fees Incurred				\$ 909,572.00

Summary of Expenses	
Expense	Amount
Travel	\$ 60.00
Telephone	\$ 82.28
Specialized Online Research Services	\$ 534.00
Westlaw	\$ 3,304.00
Copies	\$ 522.30
Total Expenses	\$ 4,502.58

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1 VII. **HOULIHAN LOKEY**

2 Beginning during the Reporting Period, Houlihan Lokey provided investment banking and
3 financial advice to the Trustee on a number of issues directly related to preserving the value of the
4 assets and rights that will be transferred to the Trust upon the Effective Date. Preliminary valuation
5 analysis provided by Houlihan Lokey complimented with on-going diligence as proceedings
6 progressed supplied the Trust with detailed information as to the current state of negotiations as
7 well as the expected value of assets to be distributed to the Trust at the Effective Date.
8 Furthermore, detailed analysis into the Trust's rights as a stockholder by Houlihan Lokey supported
9 negotiations of those rights throughout the Reporting Period.

10 Houlihan Lokey directly engaged with the TCC, the Debtors, plan proponents, and other
11 stakeholders on various complex negotiations and mediations. Throughout numerous conferences,
12 Houlihan Lokey worked hand-in-hand with Brown Rudnick as well as other interested parties in
13 the negotiation of the Trust's rights as a stockholder. Houlihan Lokey also worked closely with
14 various other Trust professionals to provide advice to the Trustee in the continued negotiation of
15 the Debtors' exit financing and securities documents that will bind or affect the Trust and its
16 beneficiaries.

17 Additionally, during the Reporting Period, Houlihan Lokey analyzed the timing and
18 available alternatives for the monetization of the stock in the reorganized company to be issued to
19 the Trust. Houlihan Lokey reviewed numerous different alternatives to monetize the stock and
20 worked closely with various other Trust professionals to provide advice on the potential impacts
21 from the ongoing negotiations of the Trust's rights as a stockholder. Throughout ongoing
22 negotiations of the Trust's rights as stockholder, Houlihan Lokey also analyzed potential impacts to
23 the timing of monetization of the stock to be issued to the Trust and worked with the various other
24 Trust professionals to ensure all potential impacts were considered during the negotiations. Lastly,
25 Houlihan Lokey worked with the various other Trust professionals to provide updates and advice to
26 the Trustee on the monetization impacts at various times throughout the Reporting Period.

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Summary of Monthly Compensation	
Amount- April Fee	\$450,000.00

Summary of Expenses	
Expense	Amount
None	0.00

VIII. ACCOUNTING FEES & EXPENSES

Over the course of the Reporting Period, Tim Jorstad and his team have established the necessary bank accounts and processes for the Trust during the interim period. In consultation with Brown Rudnick, the Trustee and the Claims Administrator, Tim Jorstad and his team have designed banking, accounting, and disbursement processes for the Trust in advance of the Effective Date. Additionally, Tim Jorstad and his team have assisted in identifying, interviewing and evaluating proposals from financial institutions in connection with the Trust. More particularly, the services rendered by Jorstad, Inc. included to interviewing banks for claims disbursements, meeting with BrownGreer to discuss claims processing and payment process, meeting with investment banking firms to discuss PG&E stock valuation, liquidation and hedging options. Additionally, professionals from Jorstad, Inc.: (1) interviewed financial institutions for US Treasury portfolio management; (2) interviewed a Delaware Statutory Trust candidate to set up statutory trust; (3) interview insurance brokers for insurance coverage for Trustee, staff and Trust; and (4) interviewed CPA firms to prepare annual audited financial statements for trust and interview business management/CPA firms for Trust accounting, banking and bill payment.

Summary of Hours and Fees by Professional			
Title & Name Of Professional	Rate	Hours	Amount
Timothy J. Jorstad	\$500	40.50	\$20,250.00
Elizabeth Sykes	\$235	12.25	\$2,878.75
Total Fees			\$23,128.75

Summary of Expenses	
Expense	Amount
None	\$0.00

CONCLUSION

WHEREFORE, Justice Trotter has attached hereto as **Exhibit A**, his certification that he has reviewed all of the fees and expenses discussed herein and has determined that the payments and disbursements made on account of such fees and expenses were reasonable and necessary in light of the services rendered.

DATED: June 15, 2020

BROWN RUDNICK LLP



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Attorneys for Trustee and Claims
Administrator

EXHIBIT “A”

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Hon. John K. Trotter (Ret.)